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Research Statement

In 2013 President Barack Obama identified rising economic inequality—the growing gap between the rich and the poor—as one of the largest challenges facing policymakers in the 21st century. Despite the concern around growing economic inequality, policies aimed at mitigating it struggle for widespread support. My research seeks to understand *why* and focusses on uncovering the various psychological biases and misperceptions that legitimize economic inequality, even as it has risen to levels that negatively impact both organizations and society broadly. I subsequently leverage these insights to create interventions that foster egalitarian behaviors, emotions, and cognitions across public and private organizations.

My research identifies the key role that organizations play in understanding economic inequality: they not only create and maintain economic inequality but are also uniquely susceptible to many of the negative consequences that arise when economic inequality approaches unproductive levels (e.g., higher health care costs, higher employee turnover, unhappier and less productive workers). Given these consequences, I take seriously the robustness of my theory and rigor of my methods, adopting a multi-method (e.g., archival data, organizational field data, dyadic experiments, field experiments, and longitudinal methods) and analytically diverse (e.g., natural language processing, multilevel modeling, item response theory) and open (e.g., publicly shared materials, methods, data, and code) approach to unravelling when inequality ceases to be productive and how to combat it when it does.

I subsequently outline two main lines of research exploring how we understand and react to economic inequality. In particular, my research has (i) uncovered various psychological mechanisms (e.g., income mobility, attributions for poverty) that legitimize inequality, (ii) tested how, when, and what interventions (e.g., perspective taking, cross-class contact) can promote egalitarian behavior and mitigate the negative consequences of economic inequality. Finally, I discuss current and future directions in outlining a comprehensive theoretical and methodological framework to understand beliefs about economic inequality.

I. Psychological mechanisms that legitimize economic inequality

System Justification Theory posits that humans have a deep-seated psychological need to see the world as fair and just, which manifests as ideological support for the political and economic status quo. Thus, one possible reason why concern for economic inequality has remained relatively stagnant despite a sharp increase in various inequalities is a core belief that inequality is the result of a fair and just system. In my research, I investigate this core belief in order to understand what psychological processes do, and do not, contribute to tolerance for economic inequality.

Income Mobility. The cultural script of “The American Dream” proclaims that anyone can experience income mobility and rise from rags to riches if they work hard enough. At the core of this dream is the idea that disparities between the rich and the poor are tolerable precisely because people have the opportunity to move between economic stations, making inequality fair and just. However, research shows that income mobility is less prevalent than many believe; is the dream of upward income mobility partially responsible for legitimizing economic inequality?

I first tested this question with cross-national data, nationally representative samples, and lab experiments demonstrating that a heightened belief in income mobility led to tolerance for economic inequality at a global and national scale (Shariff, Wiwad, & Akin, 2016, *Perspectives on Psychological Science*). Utilizing multilevel modeling to examine International Social Survey Programme data from over 40,000 respondents around the globe, I found that people were more tolerant of economic inequality in countries with higher income mobility. In order to rule out potential alternative explanations (e.g., cultural differences), I brought this question into the lab. I recruited a nationally representative sample of 521 American adults and randomly assigned them to read a news article depicting income mobility in the United States as either high or low. Consistent with my theorizing, participants who were led to believe that income mobility was higher expressed greater tolerance for economic inequality. As predicted, I found that this relationship was driven by perceptions of higher income mobility causing a strengthening in the belief that unequal economic outcomes are primarily fair and earned. Together, these findings suggest that support for economic inequality is at least partially rooted in a strong cultural adherence to the American Dream.

In subsequent research, I have found that perceived and actual income mobility also legitimizes inequality and improves performance in organizational contexts. Organizational strategy often relies on at least some degree of pay disparity as a constructive tool that can motivate individuals to work harder to attain higher status. I explored whether the existence (and perception) of upward income mobility is a key factor in realizing these potential benefits of pay disparity (Wiwad, Jachimowicz, & Davidai, *Manuscript In Prep*). I first tested this using a unique dataset of 17,643 individuals across 2,549 working groups obtained from a large financial services company. I found that higher pay disparity only resulted in improved job performance ratings if actual upward mobility, and perceived upward mobility in a subsequent replication, was higher within an individual's working group.

Across five additional experiments ($n = 5,234$), I have found consistent causal evidence that the prospect of upward mobility can dampen the negative effects of high within-organization pay disparity. For instance, in one experiment when an 80:1 pay ratio was framed as high (versus low) and participants read (versus did not read) that the CEO experienced upward mobility within the organization, the average worker demonstrated higher tolerance for this pay disparity, lower belief that success at the organization is a zero sum game, as well as higher reported quality of workplace relationships and job satisfaction. Critically, I found that there are upper limits to the palliative effect of perceived mobility; when participants were presented with a 200:1 pay ratio framed as high (versus low), the potential for upward mobility no longer produced the same positive organizational outcomes. This research identifies a previously unqualified condition for pay inequality to be motivating, the potential to rise up the organizational ladder, but also demonstrates that there is an upper bound to pay disparity beyond which upward mobility ceases to unlock the potential benefits of pay disparity.

Beliefs about Poverty. The above work demonstrates that optimistic beliefs about organizational and societal processes—one's ability to move up the social ladder—can legitimize inequality at various levels. But what about psychological beliefs about the people who inhabit the lowest rungs of this social ladder? Classic research on the correspondence bias demonstrates that people in North America tend to default to explaining outcomes (e.g., poverty) to internal (e.g., laziness or lack of willpower) as opposed to external factors (e.g., discrimination

or unequal opportunity). In my dissertation work, I explored whether individual psychological processes—judgments about why the poor are poor—serve as another pernicious belief that legitimizes damaging levels of economic inequality (Piff* & Wiwad*, Robinson, Akinin, Mercier, & Shariff, 2020, *Nature Human Behavior*; Wiwad, Mercier, Piff, Shariff, & Akinin, *Under Review at Journal of Experimental Social Psychology*; Wiwad & Stephens, *In Prep*).

To explore how beliefs about poverty may legitimize inequality I used a mixture of cross-national archival data, laboratory experiments, and large nationally representative samples. I utilized World Values Survey data from 34 countries and over 34,000 respondents, finding that there was lower tolerance for economic inequality in countries that more strongly recognized the societal barriers to escaping poverty (versus a belief that the poor are poor because they are lazy; Piff* & Wiwad* et al., 2020, *Nature Human Behavior*). I replicated these findings in a large (n = 632) sample of American adults nationally representative on age, income, geographic location, and political ideology. In order to rule out alternative explanations, I experimentally tested whether increased recognition of the situational causes of poverty lowered tolerance for inequality in the lab. I randomly assigned participants to write either (a) about the poor generally, or (b) the undeserving poor. When participants were prompted to briefly write about the situational causes of poverty they were more egalitarian, choosing to donate more of a windfall endowment to a charity whose mission is to fight poverty and reduce economic inequality. These findings offered initial evidence that beliefs about poverty, specifically the recognition of exogenous barriers to escaping poverty, are associated with tolerance for economic inequality and egalitarianism both globally and within the United States.

Throughout this year, the Coronavirus pandemic has begun exacerbating racial, gender, and income inequalities both socially and organizationally via differentially impacted hiring ability. I reasoned that the Coronavirus pandemic has potentially served as a highly visible exogenous shock exacerbating poverty and economic inequality due to the significant media coverage of precisely how the Coronavirus pandemic is worsening poverty and inequality. I utilized a longitudinal survey to test my prediction that people who more strongly recognized the negative impact of the Coronavirus pandemic would be more likely to soften their tolerance for inequality over the course of one year. (Wiwad, Mercier, Piff, Shariff, & Akinin, *Under Review at Journal of Experimental Social Psychology*). Using a series of latent growth curve models, I found support for my pre-registered predictions that people who recognized the impact of the Coronavirus pandemic on the poor increased their opposition to inequality over time. Change in situational attributions for poverty and support for inequality in turn predicted a higher willingness to help the poor. While the Coronavirus pandemic will likely continue to exacerbate already record-setting inequalities, it may also mobilize organizations and individuals who recognize this to help society's most economically vulnerable.

Together, these findings show that beliefs about the ability to climb the social ladder as well as the nature of poverty are pernicious psychological mechanisms that legitimizing damaging levels of economic inequality. Critically, this work also suggests that these beliefs are malleable and thus offer promising psychological and organizational routes to developing interventions that can increase concern about economic inequality lead to more equitable economic outcomes.

II. Interventions to increase concern about inequality and foster egalitarianism

My research has uncovered that beliefs about the poor as well as upward mobility and the poor play a role in legitimizing economic inequality. In my second line of research, I test whether various interventions effectively raise concern about economic inequality to foster a more equitable society. Thus far, I have used poverty simulations, dyadic laboratory experiments, and longitudinal methods to test whether shifting attributions for poverty is a viable route to tackling rising economic inequality inside and outside the lab.

Perspective taking. Extending upon the idea that people are less tolerant of economic inequality when they recognize the systemic causes (e.g., educational and labor market barriers) of living in poverty, I explored whether a “low-touch” intervention that simulates the daily struggles of poverty could result in meaningful and long lasting attitude change (Piff* & Wiwad* et al., 2020, *Nature Human Behavior*). In one such experiment I randomly assigned participants to either engage in a short, but impactful, poverty simulation called SPENT (available [HERE](#)) versus a no-game control condition. In this poverty simulation, players make a series of daily financial decisions as if they are living in poverty. I found that participants who played SPENT were not only more cognizant of the systemic barriers that sustain poverty but, as a result, expressed greater concern for economic inequality and support for redistribution. Crucially, this difference persisted outside of the lab both one day post-intervention as well as *five months later*. These findings are consistent with evidence that macro-level institutional factors (e.g., attending multi-year college programs that facilitate living in poverty-stricken areas) can shape concerns about the poor and economic inequality. However, these interventions typically entail widescale and costly institutional coordination. This work demonstrates that low-touch interventions that meaningfully highlight the salience of situational causes of poverty can promote action aimed at attenuating high levels of inequality.

Cross-class contact. Intergroup contact theory consistently demonstrates that cross-group contact can effectively reduce prejudice. I have applied and expanded this theory explore how cross-social class contact can influence willingness to help the poor in two dyadic laboratory experiments (n = 398). I found that engaging in an ostensible cross-class interaction (with a confederate) demonstrated a reduction in the belief that the poor are lazy and in turn were more egalitarian, giving more to their low socioeconomic status partner in a one-shot anonymous dictator game. I have since begun utilizing real instances of cross-social class contact to explore what linguistic features underlie effective cross-social class contact (Wiwad & Stephens, *In Prep*). We have begun recruiting pairs of middle- and working-class individuals to have 25-minute online conversations. In this work I am building on intergroup contact theory by collecting and analyzing a rich source of data not typically analyzed—the conversations themselves.

In utilizing raw conversational data, I am beginning to uncover the linguistic markers that predict reduced prejudice towards the working class, greater recognition of societal barriers to education and opportunity, and increase concern about rising economic inequality. Using natural language processing analyses and economic games, I have found initial evidence that syntactic matching, question asking, and emotional valence in cross-social class interactions may result in reduced prejudice towards the poor, stronger recognition of social barriers that cause various (e.g., education) inequalities, as well as increased cooperation in a public goods game. This research lays the groundwork for my future work designing useful cross-social class contact interventions

that can amplify the effective, and downplay the ineffective, linguistic features that contribute to productive attitude and behavior change.

III. Looking forward

A comprehensive theory of tolerance for economic inequality. I aim to build a comprehensive understanding of the psychological mechanisms that facilitate deleterious levels of economic inequality and, in doing so, identify and test interventions to address this. So far, I have found that beliefs about poverty and upward mobility consistently legitimize inequality in both global and organizational contexts. In continuing this work I intend to explore additional factors, such as the abstractness (e.g., biased algorithms), geographic proximity (e.g., inequality between versus within countries/organizations), and visibility (e.g., social class differences in quality (more visible) versus quantity (less visible) of consumption) of inequality. Common across this line of research is my desire to uncover when inequalities cease to be productive and what can be done to mitigate them when they do. This, in turn, informs my continued development of interventions aimed at reducing the myriad negative effects of inequality, such as increased tolerance for dishonesty ($n = 129,779$; To, Wiwad, & Kouchaki, *Under Review at Psychological Science*).

What does it mean to address economic inequality? There is considerable debate among pundits, organizations, and economists regarding how individuals determine what level of inequality is acceptable, and how to address it when it becomes unacceptable. Utilitarians seek to maximize the overall size of the economic pie, egalitarians seek to reduce the gaps between the haves and have nots, and “maximin” seekers aim solely to help those at the bottom. In some of my recent work I have built a novel methodological typology that identifies an additional perspective—the desire to shelter those at the top—and comprehensively and simultaneously explores the balance between these motives (Wiwad & Kteily, *Manuscript In Prep*). With this methodology I have created a theoretical and empirical lens through which I intend to further explore the boundary conditions that underlie the delicate balance between these sometimes-conflicting motives in various intergroup contexts. Initial work ($n = 2,887$) exploring this complex system of interconnected motives reveals that Democrats and Republicans share a primary concern: helping those at the bottom. However, Democrats are secondarily more concerned with reducing inequality (with no special concern given to how the rich are affected). Republicans, on the other hand, are more concerned with protecting the wealthy (with little special concern given to decreasing or increasing inequality).

Conclusion

Economic inequality has been rising for nearly five decades and has begun to reach unprecedented levels that negatively impact both organizations and society more broadly. This statement has outlined a cumulative research agenda that seeks to create a comprehensive understanding of the psychology of economic inequality. My research utilizes traditional survey and experimental methods, as well as cutting-edge methodological and statistical techniques, in order to achieve this goal. With this research I aim to benefit organizations and society broadly by (i) building a comprehensive understanding of when and why we come to believe that high degrees of inequality are acceptable and (ii) informing and creating interventions that legitimize and foster equitable, as opposed to unequal, economic outcomes.